

## **The Taxicab Industry Review – Framework for Change**

<b>Date:</b>	June 12, 2013
<b>To:</b>	Licensing and Standards Committee
<b>From:</b>	Executive Director, Municipal Licensing and Standards
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2013\Cluster B\MLS\LS13013

### **SUMMARY**

---

The Taxicab Industry Review commenced December 2011 and since that time, the City of Toronto has, through extensive consultation and research, conducted a review of Toronto's taxicab industry.

Building upon the Preliminary Report: *Toronto's Taxicab Industry: a discussion paper*, staff have analyzed and researched the issues presented throughout the consultations and have identified several areas for improvement in the taxicab industry.

Guided by City Council's Taxicab Industry Review principles, staff have prepared a Framework that outlines opportunities for improvement for Toronto's taxicab industry.

This Framework provides direction for the taxicab industry on issues of accessibility, driver safety, technology, cabstands, fares and licensing structure.

The Framework will guide consultations throughout the summer to facilitate discussion and decision-making leading to the final report in September 2013 with recommendations for the taxicab industry.

## RECOMMENDATIONS

---

The Executive Director, Municipal Licensing and Standards, recommends that the:

1. Licensing and Standards Committee direct further consultation on the Taxicab Industry Review Framework and report back to Licensing and Standards Committee in September 2013 with the final report with recommendations for the taxicab industry.

### Financial Impact

There is no financial impact expected from this report beyond what has already been approved in the current year's budget.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

### DECISION HISTORY

May 31, 2011, Licensing and Standards Committee requested that the Executive Director, Municipal Licensing and Standards, report back to the Committee on a plan for reviewing the taxicab industry.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.LS4.7>

September 9, 2011, the report "Industry Review Plan" was brought forward to the Licensing and Standards Committee by the Executive Director, Municipal Licensing and Standards. This report initiated what is now "Toronto's Taxicab Industry Review".

<http://www.toronto.ca/legdocs/mmis/2011/ls/bgrd/backgroundfile-40347.pdf>

October 2, 2012, City Council adopted the preliminary report from Toronto's Taxicab Industry Review and gave direction to report back ahead of the final report on the Taxicab Advisory Committee, Driver Bill of Rights and the complaints and compliments process.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.LS15.1>

February 20, 2013, City Council directed the Executive Director, Municipal Licensing and Standards, to open the Taxicab Advisory Committee meetings to the public and provide updates on its activities to the Licensing and Standards Committee as well as the Disability Issues Committee.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.LS18.5>

## **ISSUE BACKGROUND**

There are 4,849 licensed taxicabs operating in the City of Toronto and it is estimated that 65,000 trips are taken in taxicabs every day. Residents and tourists alike depend on taxicab service to get them where they need to go.

Toronto's Taxicab Industry Review began in 2011 and includes three phases: consultation, research and production of the final report. The review has focussed on extensive consultation with direct and indirect stakeholders, related industries, the public and appropriate City divisions. These consultations informed the preliminary report, adopted by City Council in October 2012.

Since then, staff have continued to engage the industry through consultations and surveys. Staff have also created a Taxicab Advisory Committee that provides advice on taxicab issues to the Executive Director, Municipal Licensing and Standards.

Major issues arising from the consultations and through research have provided insight and identified opportunities for improvements to the industry.

Major issues identified during the review have included:

- Lack of on-demand accessible taxicab service in Toronto
- Issues of safety for taxicab drivers
- Shortcomings of safe driving practices by Toronto taxicab drivers
- Perceived inequities between Ambassador and Standard taxicab owners
- Impacts of non-driving industry participants such as 'briefcase' agents
- Ambiguity in the By-law relating to the City's role in regulating the industry

## **COMMENTS**

After extensive consultation, it became apparent that there are several opportunities for improving Toronto's taxicab industry.

The Framework makes recommendations that aim to create an accessible, fair and sustainable industry that is viable for participants and delivers a high level of customer service.

Key recommended improvements to the industry are:

- Creating a 100% wheelchair accessible taxicab fleet over time
- Transitioning the industry to one owner's licence
- Requiring new taxicab owners to drive their taxicabs
- Regulating the number of taxicab licences according to passenger wait times

Guided by City Council's review principles of consumer protection, health and safety of passengers and drivers, the economic viability and sustainability of the industry and City

well being, staff have prepared this Framework to suggest solutions to the issues heard through the consultations.

The Framework lays the foundation for improvements to the industry and is designed to facilitate further discussion and engagement with the industry.

## **Framework Highlights**

A balanced approach to regulating taxicabs ensures a safe, equitable and healthy industry that meets the needs of Toronto's residents and visitors. The Framework includes 44 suggested recommendations geared to improving the industry and the role of taxicabs in Toronto's transportation network.

### **Long Term Goal of 100% Accessible Taxicabs**

People with disabilities, including those who rely on wheelchair accessible transportation, face significant challenges in obtaining affordable and on-demand taxicab service in Toronto. During the review, it became apparent that people who require a wheelchair cannot always access Toronto's taxicab service.

Only 3.5% of all Toronto taxicabs are currently wheelchair accessible. Most of these taxicabs are not readily available for on-demand taxicab service because they are contracted to deliver public transportation service through TTC Wheel-Trans. This means that many residents and visitors who are in wheelchairs cannot expect on-demand taxicab service in Toronto as is available to other passengers.

The City of Toronto is committed to building an inclusive society and providing an accessible environment which ensures that all individuals have access to the City's services and programs in a way that respects the dignity and independence of people with disabilities. Ensuring access to wheelchair and otherwise accessible taxicab service is part of the City's commitment to being an inclusive place to live and visit.

To ensure the same level of service between passengers who need, and do not need, a wheelchair, it is recommended that Toronto set a long term goal of 100% wheelchair accessible taxicabs. This would mean that all people, regardless of mobility, would be able to obtain a taxicab in the same way, including hailing one on the street.

This goal would be implemented through a measured approach. All new licences issued, or transferred, will require a wheelchair accessible vehicle.

The Pan American and the Parapan American Games will be hosted by Toronto in 2015. Ten thousand athletes, coaches and officials from 41 countries across the Americas and the Caribbean, and 250,000 visitors will be in Toronto during the Games. As part of the economic, social, cultural and community benefits that the Games will bring for Toronto residents and businesses, the City should ensure there are wheelchair accessible taxicabs to serve visitors, which will then become part of the Games' legacy.

A goal to double the number of wheelchair accessible taxicabs in Toronto by 2015 has been set in order for the City to ensure wheelchair accessible taxicabs for the Pan Am and Parapan Am Games. The City will review the number of wheelchair accessible vehicles in six-month increments. If the number of wheelchair accessible vehicles is not increasing at a pace to meet this goal, the City will consider issuing additional licences.

### **Harmonize all existing licences to the Toronto Taxicab Licence**

Many taxicab industry stakeholders were adamant during consultations that there is an imbalance in the industry that prevents Toronto's taxicabs from delivering the best level of service. Inequity in licensing regimes, unnecessary 'middlemen', and prohibitive regulations were identified as key issues.

To address these issues, staff evaluated several licensing approaches suggested by the industry. Bolstered by international case studies and research, it is recommended that the City create a new licence and harmonize all existing licences to the new Toronto Taxicab Licence over time.

The Toronto Taxicab Licence is a transferable licence that must be driven full-time by its owner, but can also be rented out to other drivers for a second shift. This licence will require a wheelchair accessible vehicle in order to meet the goal of 100% accessible taxicabs.

The Toronto Taxicab Licence will:

- minimize the creation of operating models that encourage absentee owners;
- limit the role for non-driving participants;
- encourage owners to cover their operating costs without compromising driver or passenger health and safety; and
- provide an exit strategy for owners wishing to leave the industry at a time of their own choosing.

In the interim, the City will revise properties of the current Standard, Ambassador and Accessible taxicabs in ways that align it more closely with the Toronto Taxicab Licence.

Recommended changes to the current owner's licences include:

- Standard taxicab owners will continue to operate under the same conditions, except that they will only be able to relinquish operation of their taxicab to either a designated agent or a lessee, not both, thereby reducing the number of operating layers
- Ambassador taxicab owners will continue to drive their taxicabs; however, they will be able to rent to another driver providing the taxicab continues to operate for only one shift per day
- Ambassador and Accessible taxicabs are to be made transferrable

The Toronto Taxicab Licence will replace the current Standard, Ambassador and Accessible taxicab owner's licences as they are sold.

### **Improve Driver Safety**

Driving a taxicab is not always a safe job. Long hours spent working alone, often at night, carrying large sums of cash and dropping passengers off in unfamiliar or unsafe locations can put drivers at risk.

In order to ensure that drivers are allowed to manage their own risk, amendments to the By-law would permit drivers to ask passengers for payment in advance. Mandatory requirement for credit and debit machines is also being recommended in an effort to decrease the amount of cash taxicab drivers carry, as a strategy to lower their risk of being a target of robbery.

The results of a survey on the feasibility of mandated taxicab shields is also underway and will form part of the final report.

### **Improve Driving Training**

All taxicab drivers are currently required to attend in-class training. During the review, staff heard that despite this, some taxicab drivers still engage in risky driving behaviours.

Training enhancements would require all taxicab drivers to complete a simulated in-car driving course to better equip them with defensive driving skills. The course would become part of the initial taxicab driver training and then be required every four years thereafter.

A significant advantage of simulator training is that scenarios can be tailored for taxicab specific issues such as driving in high traffic conditions with cyclists and pedestrians.

### **Enhance Customer Service with Technology**

Technology enhancements in Toronto's taxicabs can increase the accessibility of taxicab service, protect driver and passenger safety, improve customer service, and strengthen the City's ability to conduct evidence-based regulation and by-law enforcement.

To accomplish this, each taxicab would be equipped with a digital screen that is connected to the meter and is able to communicate the fare, the taxicab number, the driver's picture, the location of the taxicab and other information to the passenger both audibly and on-screen.

This aligns Toronto's taxicab technology with that of New York City, Washington, and New Orleans and provides residents and visitors to Toronto a better taxicab experience.

### **Framework Consultations**

The City is committed to conducting an accountable, transparent and participatory process leading towards the creation of a final report with recommendations for the taxicab industry.

The Framework outlines recommendations that could make significant changes to the industry. It is prudent and necessary to engage the industry in these changes, gain input

on the recommendations, and be responsive to this feedback when writing the final report.

Between July 2013 to September 2013, staff will use the Framework as a guide for further consultation. City Council's Taxicab Industry Review principles will continue to guide staff on consultations and in the final report.

### **Framework Consultation Plan**

Broad stakeholder consultations will be held in July 2013. The Executive Director of Municipal Licensing and Standards will explain key recommendations and facilitate discussion in a town hall format. Stakeholders will be encouraged to contribute ideas in person, online and through mail.

Key recommendations from the Framework will be discussed through a series of consultations as listed below.

<b>Date</b>	<b>Time</b>	<b>Location</b>
Tuesday July 9, 2013	1:00 PM – 4:00 PM	North York Civic Centre, Council Chambers
Wednesday July 10, 2013	6:00 PM – 9:00 PM	City Hall, Council Chambers
Monday July 15, 2013	9:00 AM – 12:00 PM	Scarborough Civic Centre, Council Chambers
Thursday July 18, 2013	6:00 PM – 9:00 PM	Scarborough Civic Centre, Council Chambers

### **Online Comments and Survey**

To complement town hall meetings, and to allow for alternative ways to participate, staff will post the Framework online with a comments form. Stakeholders will have the opportunity to read the Framework on their own time and provide input online.

The online version of the Framework will also ask stakeholders to rate how much they agree or disagree with each recommendation.

The online comments and survey will be available from June until August 2013.

### **Communication Plan**

Staff will communicate consultation dates through the Taxicab Industry Review's dedicated webpage, through the 800+ stakeholder mailing list and through postings at the Taxicab Training Centre, inspection centres and ML&S offices throughout the city and through the issuance of a news release.

### **Next Steps**

The Framework outlines 44 suggested recommendations that will improve Toronto's taxicabs for passengers and industry stakeholders.

Input collected through summer consultations on the Framework will guide the formulation of final recommendations for the taxicab industry. Staff will consider and analyze all input from stakeholders when developing the final report.

The City remains committed to undertaking the taxicab review through a participatory and transparent process. Engaging the industry on the Framework continues this commitment.

## **CONTACT**

Vanessa Fletcher  
Project Manager, Taxi Industry Review  
Municipal Licensing and Standards  
Phone: 416-392-9830  
Fax: 416-397-5463  
Email: [vfletch@toronto.ca](mailto:vfletch@toronto.ca)

## **SIGNATURE**

---

Tracey Cook  
Executive Director,  
Municipal Licensing and Standards

## **ATTACHMENT**

Attachment 1: Taxicab Industry Review Final Report Framework (including the final report from Taxi Research Partners)